



ABN 65 149 197 651

**VELPIC LIMITED  
NOTICE OF ANNUAL GENERAL MEETING**

**To be held at**

9.00am (AWST) on Thursday, 19 October 2017

**at**

the offices of Velpic

243 Hay Street

Subiaco, WA 6008

**This Notice of Meeting should be read in its entirety.**

**If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.**

**Should you wish to discuss the matters in this Notice of Meeting please contact the Company Secretary on +61 411558940.**

**VELPIC LIMITED**

ABN 65 149 197 651

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the Annual General Meeting of the Shareholders of VELPIC LIMITED (**the Company**) will be held at the offices of Velpic, 243 Hay Street, Subiaco WA 6008 on Thursday 19 October 2017 commencing at 9.00am (AWST), for the purpose of transacting the following business referred to in this Notice of Annual General Meeting (**Notice**).

The accompanying Explanatory Statement and Proxy Form provide additional information relating to the matters to be considered at the Annual General Meeting, and form part of this Notice.

**AGENDA**

**A. Consideration of Financial Reports**

To receive and consider the Financial Report, the Directors' Report and the Independent Audit Report of the Company for the financial year ended 30 June 2017.

Unless the Company has been notified otherwise, shareholders have not been sent a hard copy of the Annual Report. Shareholders can view the Annual Report (which contains the Financial Report for the year ended 30 June 2017 on the Company's website [www.velpic.com](http://www.velpic.com)).

**B. Questions and Comments**

Following the consideration of the Reports, the Chairman will give shareholders a reasonable opportunity to ask questions about, or comment on the management of the Company.

The Chairman will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- (a) the conduct of the audit;
- (b) the preparation and content of the Independent Audit Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

The Chairman will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Audit Report or the conduct of the audit. A list of written questions, if any, submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the AGM.

**C. Items for Approval**

**RESOLUTION 1 - ADOPTION OF REMUNERATION REPORT**

To consider, and if thought fit, to pass the following resolution as an **advisory resolution**:

*"That the remuneration report contained in the Company's Directors' Report for the financial year ended 30 June 2017 be adopted".*

**Voting Exclusion Statement – Resolution 1:**

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of:

- a. a member of the Key Management Personnel (**KMP**) (as that term is defined in the Corporations Act 2001 (Cth) (the Act), which includes each of the Directors of the Company) whose remuneration is disclosed in the 2015 Remuneration Report; or
- b. a closely related party (as that term is defined in the Act) (such as close family members and any controlled companies) (**Closely Related Party**) of such a KMP.

However, such a person may cast a vote on Resolution 1 as proxy for a person who is entitled to vote and:

- a. the proxy appointment is in writing and specifies how the proxy is to vote (for, against, abstain); or
- b. the vote is cast by the person chairing the Meeting and:
  - the appointment does not specify how the proxy is to vote; and
  - the appointment expressly authorises the Chair of the Meeting to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

*The Chairman of the Meeting intends to vote any undirected proxies in favour of Resolution 1.*

#### **RESOLUTION 2 - RE-ELECTION OF DIRECTOR – MR HARRY KARELIS**

To consider, and if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That Mr Harry Karelis who retires by rotation in accordance with clause 8.3 of the Constitution of the Company, and being eligible for re-election, be re-elected as a Director of the Company."*

*The Chairman of the Meeting intends to vote undirected proxies in favour of Mr Karelis' re-election.*

#### **RESOLUTION 3 – APPROVAL OF ADDITIONAL SHARE ISSUE CAPACITY UNDER LISTING RULE 7.1A**

To consider, and if thought fit, to pass the following resolution as a **special resolution**:

*"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, shareholders approve the issue of equity securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions described in the Explanatory Statement, which forms part of this Notice of Meeting."*

#### **Voting Exclusion Statement – Resolution 3:**

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 3 by a person (and any associates of such a person) who may participate in the 10% placement facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of shares, if this resolution is passed. At this point in time, there are no potential allottees to whom shares may be issued under this resolution.

However, the Company need not disregard a vote cast on Resolution 3 if:

- a. it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b. it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

*The Chairman of the Meeting intends to vote undirected proxies in favour of Resolution 3.*

BY ORDER OF THE BOARD

CATHERINE ANDERSON  
COMPANY SECRETARY

Dated: 05 September 2017

### **Entitlement to attend and vote (if required)**

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001, the Board has determined that persons who are registered holders of shares of the Company as at 7:00pm (AEDT) on Tuesday 17 October 2017 will be entitled to attend and vote (if required) at the Meeting as a shareholder.

If more than one joint holder of shares is present at the Meeting (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

#### *Attendance by Proxy*

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act 2001 to exercise its powers as proxy at the Meeting.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy form must be received by the Company no later than 9.00am (AWST) on Tuesday, 17 October, being 48 hours before the Meeting. Proxy forms must be received before that time by one of the following methods:

#### Link details:

By post: Velpic Limited, c/- LINK Market Services Ltd, Locked Bag A14, Sydney South NSW 1235

By facsimile: +61 2 9287 0309

By delivery: LINK Market Services, 1A Homebush Bay Drive, Rhodes NSW 2138

Online: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

#### *Attendance by Attorney*

A proxy form and the original power of attorney (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 9.00am (AWST) on Tuesday 17 October 2017, being 48 hours before the Meeting.

#### *Corporate Representatives*

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the Meeting. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act 2001. The representative should bring to the Meeting a properly executed letter or other document confirming its authority to act as the company's representative.

#### *Shareholder Questions*

If you wish a question to be put to the Chairman of the Meeting and you are not able to attend the Meeting please email your question to the Company Secretary: [catherine.anderson@velpic.com](mailto:catherine.anderson@velpic.com). To allow time to collate questions and prepare answers, questions must be received by the Company Secretary by 5:00pm (AWST) on Friday 13 October 2017.

While the Chairman of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible during the course of the Meeting, there may not be sufficient time available to address all topics raised. Please note that individual responses to questions raised will not be sent to shareholders.

## **EXPLANATORY STATEMENT**

This Explanatory Statement has been prepared for the information of shareholders of the Company (Shareholders) in relation to the business to be conducted at the Company's Annual General Meeting to be held at the offices of Velpic, 243 Hay Street, SUBIACO WA 6008 on Thursday 19 October 2017 commencing at 9.00am (AWST). The purpose of this Explanatory Statement is to provide Shareholders with information that is reasonably required by Shareholders to decide how to vote upon the resolutions. The Directors recommend that Shareholders read this Explanatory Statement before determining whether or not to support the Resolutions.

Resolution 1 is an advisory resolution. An advisory resolution does not bind the Company or its Directors. Resolution 2 is an ordinary resolution. For an ordinary resolution to be passed, a simple majority of votes cast by Shareholders present and entitled to vote on the resolution must be in favour of the resolution. Resolution 3 is a special resolution. For a special resolution to be passed, 75% of votes cast by shareholders present and entitled to vote on the resolution must be in favour of the resolution.

The Chairman of the Annual General Meeting intends to vote undirected proxies in favour of all resolutions to be considered at the Meeting.

### **RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT**

Section 250R(2) of the *Corporations Act 2001* (Cth) (**the Act**) requires the shareholders to vote on an advisory resolution that the Remuneration Report be adopted.

The Remuneration Report details the remuneration policy for the Company and reports the remuneration arrangements for Key Management Personnel that includes Directors and other Employees. The Remuneration Report is contained in the Company's 2017 Annual Report available at the Company's website at [www.velpic.com](http://www.velpic.com).

The Chairman will give Shareholders a reasonable opportunity to ask questions about or make comments on the Remuneration Report. A reasonable opportunity will be provided for discussion of the Remuneration Report at the meeting. Pursuant to the Act, the vote on this resolution is advisory only and does not bind the Company or its Directors.

#### **Directors' Recommendation**

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to Resolution 1.

### **RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR HARRY KARELIS**

Clause 8.3(a) of the Company's Constitution states that no Director shall hold office for a continuous period in excess of 3 years or until the third annual general meeting following a Director's appointment, whichever is longer, without submitting for a re-election. Clause 8.3(b) further states that at every annual general meeting, one-third of the Directors shall retire from office. At this AGM, Mr Harry Karelis must retire by rotation and being eligible offers himself for re-election.

Harry is a co-founder and Director of Jindalee Partners – a privately held investment group. Harry graduated from the University of Western Australia with Bachelors and Honours in Science majoring in Biochemistry and Microbiology as well as a Masters in Business Administration. He is a Fellow of the Financial Services Institute of Australia, a Fellow of the Australian Institute of Company Directors and has qualified as a Chartered Financial Analyst (CFA) from the CFA Institute in the United States. He has over 25 years' experience in the capital markets with roles in financial analysis, funds management and private equity investing both in Australia and overseas.

He has been an investor, director and advisor to a number of start-up companies and sits on the boards of several private and public companies. He has investment and advisory experience in a range of sectors.

## Directors' Recommendation

The Directors (with Mr Karelis abstaining) recommend that Shareholders vote in favour of Resolution 2.

### **RESOLUTION 3 – ADDITIONAL SHARE CAPACITY UNDER LISTING RULE 7.1A**

ASX Listing Rule 7.1A enables small to mid-cap listed companies to seek shareholder approval by special resolution to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placements over a 12-month period (**10% Placement Facility**). This is in addition to the existing 15% placement capacity permitted by Listing Rule 7.1.

Accordingly, Resolution 3 is seeking approval of ordinary shareholders by special resolution for issue of such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2, at an issue price as permitted by Listing Rule 7.1A.3 to such persons as the Board may determine and on the terms described in this Explanatory Statement, which forms a part of the Notice of Meeting.

A company is eligible to seek shareholder approval for this additional placement capacity if it satisfies both of the following criteria at the date of the AGM:

- (a) have a market capitalisation of \$300 million or less; and
- (b) not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will satisfy both these criteria at the date of the Meeting as well.

Accordingly, Resolution 3 seeks approval of ordinary shareholders by special resolution for issue of such number of equity securities as calculated under the formula in ASX Listing Rule 7.1A.2 at an issue price as permitted by ASX Listing Rule 7.1A.3 to such persons as the Board may determine, on the terms as described in this Explanatory Statement, which forms part of the Notice of Meeting.

At the date of this Notice, the Company has on issue 678,473,176 Shares and therefore has a capacity to issue:

- (i) 101,770,976 equity securities under Listing Rule 7.1; and
- (ii) Subject to Shareholder approval being sought under Resolution 3, 67,847,317 equity securities under Listing Rule 7.1A.

The actual number of equity securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in Listing Rule 7.1A.2.

The effect of Resolution 3 will be to allow the Directors to issue equity securities under Listing Rule 7.1A during the 10% Placement Period, without using the Company's 15% placement capacity under Listing Rule 7.1.

### **3.1 Technical Information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 3, including risks for Shareholders:

The minimum price at which the equity securities will be issued will be no less than 75% of the volume weighted average market price for ordinary shares calculated over the 15 trading days on which trades are recorded immediately before:

- (a) the date on which the price at which the securities are to be issued is agreed; or
- (b) if the securities are not issued within five trading days of the date in paragraph (a), the date on which the securities are issued.

If Resolution 3 is approved by Shareholders and the Company issues securities under the 10% Placement Facility, the existing ordinary shareholders face the risk of economic and voting dilution as a result of the issue of equity securities which are the subject of this resolution, to the extent that such equity securities are issued; including:

- (a) the market price of equity securities may be significantly lower on the issue date than on the date on which this approval is being sought; and

- (b) the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date, or the equity securities may be issued as part consideration for the acquisition of a new asset, which may have an effect on the amount of funds raised by the issue of the equity securities.

The following table gives examples of the potential dilution of existing ordinary shareholders on the basis of the current market price of shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of the Notice.

The table also shows:

- (a) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% against the current market price.

No. of Shares on Issue*	Dilution			
	Issue price (per Share)	\$0.0075 50% decrease in Issue Price	\$0.015 Issue Price	\$0.030 100% increase in Issue Price
678,473,176 (Current)	Shares issued	67,847,317	67,847,317	67,847,317
	Funds raised	\$508,854	\$1,017,709	\$2,035,419
1,017,709,764 (50% increase)	Shares issued	101,770,976	101,770,976	101,770,976
	Funds raised	\$763,282	\$1,526,564	\$3,053,129
1,356,946,352 (100% increase)	Shares issued	135,694,635	135,694,635	135,694,635
	Funds raised	\$1,017,709	\$2,035,419	\$4,070,839

\*The number of shares on issue (Variable A in the formula) could increase as a result of the issue of shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

**The table has been prepared on the following assumptions:**

1. There are currently 678,473,176 Shares on issue.
2. The issue price set out above is the last closing price of Shares on the ASX as at 4 September 2017.
3. The table only shows the effect of issues of equity securities under Listing Rule 7.1A.
4. The issue of equity securities under the 10% Placement Facility consists only of shares.
5. No unlisted Options in ordinary shares are exercised before the date of issue of ordinary shares under Listing Rule 7.1A.
6. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1.
7. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.

- (a) If any of the shares being approved by Resolution 3 are issued, they will be issued during the Placement Period, that is, within 12 months of the date the AGM, i.e. by 19 October 2018, and the approval being sought by this resolution will cease to be valid if Shareholders approve a transaction under Listing Rules 11.1.2 or 11.2 prior to that date.

- (b) Purpose of Issue under 10% Placement Capacity

The Company may issue Equity Securities under the 10% Placement Facility for the following purposes:

- (i) As cash consideration in which case the Company intends to use funds raised for the development of the Velpic product, Sales & Marketing initiatives, review new assets and investments]; or

(ii) As non-cash consideration for the acquisition of new assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(c) The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.2A upon issue of any equity securities.

(d) Allocation under the 10% Placement Capacity

The Company's allocation policy for the issue of equity securities under the 10% Placement Facility will be dependent on the prevailing market conditions at the time of the proposed placement(s).

The identity of the allottees of any equity securities that may be issued (subject to Resolution 3) under the 10% Placement Facility have not yet been determined at the date of this Notice, but may include existing Shareholders and/or parties who are not currently Shareholders and are not related parties or associates of the Company. Any potential allottees will be determined on a case by case basis, having regard to factors including, but not limited to the following:

- i. the methods of raising funds that are available to the Company and balancing interest from potential allottees with the interests of existing Shareholders;
- ii. the effect of the issue of the Shares on the control of the Company. Allocation will be subject to takeover thresholds;
- iii. the financial situation and solvency of the Company and its projected need for working capital at any given time; and
- iv. advice from corporate, financial and broking advisors (if applicable).

Further, if the Company is successful in acquiring new resources, assets or investments, it is likely that the allottees under the 10% Placement Facility will be vendors of the new resources, assets or investments.

(e) Previous Approval under ASX Listing Rule 7.1A

The Company has previously obtained approval under Listing Rule 7.1A at its 2016 Annual General Meeting held on 25 November 2016.

As the Company has previously obtained Shareholder approval under Listing Rule 7.1A, the following information is provided to Shareholders, in accordance with Listing Rule 7.3A.6, regarding the equity securities issued in the previous 12 months preceding the date of the AGM (that is, since 19 October 2016):

Listing Rule 7.3A.6(a): Total equity securities issued in previous 12 months are set out below.

Number of equity securities on issue at commencement of 12 month period	678,473,176
Equity securities issued in prior 12 month period (all unlisted options)	16,550,000
Percentage above issues represent of total number of equity securities on issue at commencement of 12 month period	2.44%

Listing Rule 7.3A.6(b): Details of equity securities issued in the 12 months preceding the date of the Meeting is as follows:

Number of securities issued	15,000,000	1,550,000
Class of securities issued	Unlisted options with an exercise price of \$0.06 expiring 23/12/19	Unlisted options with an exercise price of \$0.06 expiring 21/06/21
Name of holder or basis on which those persons were determined	Directors as approved at 2016 AGM	Staff under shareholder approved ESOP
Price of issue and the discount that represented to closing price on the date of issue	N/A	N/A
If the issue was for cash, total and spending of that cash	N/A	N/A



If the issue was not for cash, the non-cash consideration and its current value	N/A – the options were in the form of an incentive bonus and were not for services provided or to be provided	N/A – the options were in the form of an incentive bonus and were not for services provided or to be provided
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(f) Compliance with ASX Listing Rules 7.1A.4 and 3.10.5A

When the Company issues equity securities pursuant to the 10% Placement Facility, it will give to ASX:

- (i) a list of the allottees of the equity securities and the number of equity securities allotted to each (not for release to the market), in accordance with Listing Rule 7.1A.4; and
- (ii) the information required by Listing Rule 3.10.5A for release to the market.

**3.2 Voting Exclusion**

A voting exclusion statement is included in this Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in an issue of shares. Therefore, no existing Shareholder's votes will be excluded under the voting exclusion in the Notice.

Resolution 3 is a special resolution. For a special resolution to be passed, at least 75% of the votes cast by Shareholders entitled to vote on Resolution 3 must be in favour of the resolution.

**Directors' Recommendation**

The Directors recommend that Shareholders vote in favour of Resolution 3.





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### LODGE YOUR VOTE

**ONLINE**  
www.linkmarketservices.com.au

**BY MAIL**  
Velpic Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia

**BY FAX**  
+61 2 9287 0309

**BY HAND**  
Link Market Services Limited  
1A Homebush Bay Drive, Rhodes NSW 2138

**ALL ENQUIRIES TO**  
Telephone: +61 1300 554 474



X99999999999

## PROXY FORM

I/We being a shareholder(s) of Velpic Limited and entitled to attend and vote hereby appoint:

### APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are NOT appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **9:00am (WST) on Thursday, 19 October 2017 at the offices of Velpic, 243 Hay Street, Subiaco, WA 6008 (the Meeting)** and at any postponement or adjournment of the Meeting.

**Important for Resolution 1:** If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

**The Chairman of the Meeting intends to vote undirected proxies in favour of each resolution.**

### VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

STEP 2

#### Resolutions

	For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director – Mr Harry Karelis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of Additional Share Issue Capacity Under Listing Rule 7.1A	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

STEP 3

VPC PRX1701C



## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

### YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

### APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

### DEFAULT TO CHAIRMAN OF THE MEETING

If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy. If your named proxy attends the Meeting but does not vote on a poll on a resolution in accordance with your directions, the Chairman of the Meeting will become your proxy in respect of that resolution. A proxy need not be a shareholder of the Company.

### PROXY VOTING BY THE CHAIRMAN OF THE MEETING

On a poll, the Chairman of the Meeting will vote directed proxies as directed and may vote undirected proxies as the Chairman of the Meeting sees fit. If the Chairman of the Meeting is your proxy or becomes your proxy by default, and you do not provide voting directions, then by submitting the Proxy Form you are expressly authorising the Chairman of the Meeting to exercise your proxy on resolutions that are connected directly or indirectly with the remuneration of KMP

### VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

**Individual:** where the holding is in one name, the holder must sign.

**Joint Holding:** where the holding is in more than one name, either shareholder may sign.

**Power of Attorney:** to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au).

### LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **9:00am (WST) on Tuesday, 17 October 2017**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



#### BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au) into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

#### QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



#### BY MAIL

Velpic Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Australia



#### BY FAX

+61 2 9287 0309



#### BY HAND

delivering it to Link Market Services Limited\*  
1A Homebush Bay Drive  
Rhodes NSW 2138

\* During business hours (Monday to Friday, 9:00am–5:00pm)



### COMMUNICATIONS PREFERENCE

We encourage you to receive all your shareholder communication via email. This communication method allows us to keep you informed without delay, is environmentally friendly and reduces print and mail costs.



#### ONLINE

[www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Communications' and click the first button to receive all communications electronically and enter your email address. To use the online facility, securityholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**